

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**CORRECTED  
FISCAL NOTE**

**HB 93 – SB 761**

February 19, 2021

**SUMMARY OF BILL:** Requires the Division of TennCare (Division), if it receives a notice to creditors within 12 months of a decedent's death, to file a claim with the probate court clerk within the later of 12 months from the decedent's death or four months from the date when the Division received the notice to creditors. Forever bars the Division from making a claim if the Division does not receive a notice to creditors within 12 months of the decedent's death unless the Division files a claim with the probate court clerk or brings or revives suit within 48 months of the decedent's death.

**ESTIMATED FISCAL IMPACT:**

On February 14, 2021, a fiscal note was issued for this legislation estimating a fiscal impact as follows:

*Decrease State Revenue - \$1,074,600/FY21-22 and Subsequent Years*

*The Governor's proposed budget for FY21-22, on page A-35, recognizes a recurring decrease in state expenditures in the amount of \$1,087,900 to the General Fund.*

Due to incorrect information provided by the Division of TennCare, the original estimate was determined to be in error. Based on new information received from the Division, the fiscal impact has been corrected as follows:

**(CORRECTED)**

**Decrease State Revenue - \$1,087,900/FY21-22 and Subsequent Years**

**The Governor's proposed budget for FY21-22, on page A-35, recognizes a recurring decrease in state expenditures in the amount of \$1,087,900 to the General Fund.**

Corrected Assumptions:

- Based on information provided by the Division, the average collections from estates in calendar years 2018 and 2019 that were more than four years old were \$3,227,700. It is assumed this amount will no longer be recoverable as a result of this legislation.
- The state portion of the recovery is based on the current federal medical assistance percentages (FMAP) received by the state. For FY21-22, the federal match is 66.295, resulting in 33.705 percent being state funds.

- The recurring decrease in state revenue collected from estates recoveries is estimated to be \$1,087,896 ( $\$3,227,700 \times 33.705\%$ ).

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Bojan Savic". The signature is written in a cursive, flowing style.

Bojan Savic, Interim Executive Director

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